

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2882 - SB 2823

February 25, 2012

**SUMMARY OF BILL:** Creates an offense, punishable as forgery under Tenn. Code Ann. § 39-14-114, for a person to knowingly prepare, sign, or file a lien or other document that is intended to encumber property when the person has no reasonable basis for placing the lien on such property. Defines a “person” as an individual, corporation, firm, company, partnership, or association. Violation does not apply to a licensed attorney who prepares such a document in good faith.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$5,700/Incarceration\***

Assumptions:

- Under current law, the offense of forgery is punishable as theft but in no event is the punishment less than a Class E felony. Estimate assumes one additional Class E felony admission every five years as a result of this bill.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one additional Class E felony every five years.
- According to DOC, the average operating cost per offender per day for calendar year 2012 is \$61.36. The average post-conviction time served for a Class E felony is 1.28 years (467.52 days) at a cost of \$28,687.03 (\$61.36 x 467.52 days). The annualized cost per offender is \$5,737.41 (0.20 annual number of convictions x \$28,687.03).
- Any increase in caseloads for state trial courts can be accommodated within existing judicial resources without an increased appropriation or reduced reversion.
- Any increase in caseloads for the District Attorney Generals Conference or the District Public Defenders Conference can be accommodated within existing resources without an increased appropriation or reduced reversion.

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/lsc